

KEY HEADLINES:

- The U.S. dollar traded near its highest in almost two weeks versus the yen before the release of data that is forecast to show the U.S. manufacturing sector returned to growth, which would ease concern about the impact of the ongoing Sino-U.S. trade war. The euro teetered near its lowest in more than two years versus the greenback as weak economic data from Germany reinforced expectations that monetary policy in the euro zone will remain accommodative for an extended period. The Australian dollar edged lower before an expected interest rate cut from the Reserve Bank of Australia (RBA) later on Tuesday
- Uncertainty and the bureaucratic fall-out from the trade war between China and the United States is set to cost the export-oriented German economy 30 billion euros in growth this year, newspaper Die Welt reported. The paper cited a report by the German Chambers of Commerce (DIHK) that it had seen, according to which export growth was set to be all but wiped out this year as a result of the fall-out from global trade tensions. "In the current year we will hardly cross the zero line in terms of export growth, meaning that we will more than 30 billion euros' less export growth compared to an already weak previous year," DIHK president Eric Schweitzer said.
- The euro fell to its lowest in two-and-a-half years against the U.S. dollar on Monday as concerns about euro zone growth weighed on the single currency, while the greenback benefited from seasonal demand and uncertainty arising from the U.S.-China trade war. German annual inflation unexpectedly slowed for the third consecutive month in September, data showed on Monday. German CPI print this morning was a little bit on the disappointing side," said Bipan Rai, North America head of FX strategy at CIBC Capital Markets in Toronto.

Economic Indicators to be released.

Indicator	Currency	Forecast	Previous	Impact
German Manufacturing PMI [Sep]	EUR	41.4	43.5	HIGH
Manufacturing PMI [Sep]	GBP	47.0	47.4	HIGH
CPI [YoY] [Sep]	EUR	1.0%	1.0%	HIGH
ISM Manufacturing PMI [Sep]	USD	50.4	49.1	HIGH

Support Resistance Levels – Currency Future:

Currency	LTP	S1	S2	R1	R2	Trend
USDINR FUTURE	71.06	70.90	70.80	71.20	71.30	Sideways
EURINR FUTURE	77.75	77.55	77.40	77.95	78.10	Sideways
GBPINR FUTURE	87.53	87.20	87.00	87.80	88.00	Sideways
JPYINR FUTURE	65.97	65.80	65.65	66.15	66.30	Sideways

RESEARCH BONANZA FOREIGN CURRENCY SEGMENT

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